

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**26 Aug 2021**



## Factory Information

FLA Affiliates	KMD Brands
Country	India
Number of Workers	458

## Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

## FLA Code Element

## Number of Violations

Compensation (C)	11
Employment Relationship (ER)	20
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	25
Hours Of Work (HOW)	3

## Assessment Information

Assessor	Insync
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Assessment Date	26 Aug 2021
Assessment Purpose	Factory Assessment (In-Person)

## ASSESSMENT RESULTS

### Compensation (C)

Benchmark ID	C.25.2.1
Benchmark Details	Advances must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing (e.g. signature, thumbprint).
Finding Details	The factory provides a festival advance of INR 1500 (20USD) for workers with less than one year of employment and INR 3000 for workers (40 USD) with more than one year of employment and deducts the amounts from wages in five installment months for INR 1500 and in six installments for INR 3000. The factory maintains a record of advances requested by workers that is signed by workers. Though requested earlier, some workers verbally refuse to take the advance but do not confirm in writing the refusal of the advance. A final list is prepared and amount is paid. Workers do not sign on the final list to acknowledge receipt.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.21.2
Benchmark Details	All benefits shall be calculated correctly
Finding Details	The annual bonus is calculated at a fixed wage of INR 7000 (USD95) for all workers and not on the actual wage paid which is higher than INR 7000 (USD95) as legally required.

Recommendation for Immediate Action	Calculate and pay bonus as per the legally provided guidelines.
Compliance Classifications	Immediate Action Required
Local Law	THE PAYMENT OF BONUS (AMENDMENT) ACT, 2015, Section 12
Benchmark ID	C.16.1
Benchmark Details	All compensation records, including wages and benefits whether in cash or in-kind, must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing (e.g. signature, thumbprint).
Finding Details	A review of pay slips for five sampled workers revealed that the amount deducted towards advance was more than amount paid as advance. Further review revealed that the factory maintains two pay slips for each month for all workers. The signatures for the same workers did not match on both slips. Further it was noted from the sample that two different workers had signed most pay slips. In pay slips for some months, the names of these workers did not match their employee code. Some signatures for the same worker on the two pay slips for the same months did not match either. Management confirmed that two pay slips are maintained for all workers even though workers only receive one slip.
Recommendation for Immediate Action	Provide pay slips with accurate information and accurate signatures.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2)
Benchmark ID	C.9.3
Benchmark Details	Employees shall be compensated for overtime hours at such premium rate as is legally required in the producing country

Finding Details	All three mechanics are considered staff, instead of workers, and are not compensated for all overtime hours worked. Based on legal requirements, these mechanics should be designated as workers and entitled to overtime compensation.
Recommendation for Immediate Action	Compensate mechanics for overtime hours worked.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948 - Chapter 1 - Section 2( l) Factories Act, 1948- Section 59 (1)
Benchmark ID	C.22
Benchmark Details	Employers must establish a system through which workers can dispute compensation and receive clarifications in this respect in a timely manner.
Finding Details	The factory does not have specific procedures to submit grievances related to wages and benefits.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.

Finding Details	<p>1. The factory does not maintain time and leave records with pay records so the assessors could not verify the accuracy of the calculation of terminal dues. 2. Based on a review of records for festival advance and pay slips for five sampled workers, the festival advance of INR 3000 (40 USD) was provided in January 2021 but INR 500 (6.75 USD) was deducted from the wages of three workers in all months from January 2021 to July 2021 totaling to INR 3500 (46.75 USD). Factory stated that there was an error as reflected in pay slip and provided a second set of pay slips which reflected accurate deduction. 3. Factory does not have written guidelines on festival advances and loans and information on deductions. Management stated that periods for deduction of advance was discussed in work committee. However, the minutes of meetings did not include any information on such discussions between worker representatives and management. 4. The factory does not maintain records on the monthly wage payments for 10 outsourced housekeeping workers and 10 security guards. Therefore, assessors could not verify timely payment of wages to these workers.</p>
Recommendation for Immediate Action	<p>1. Maintain time and leave records with pay records for terminal dues. 2. Ensure accurate monthly deduction from wages of workers for festival advance provided to workers. 3. Develop written guidelines on festival advances and loans and information on deductions. 4. Maintain records for the monthly wage payments for 10 outsourced housekeeping workers and 10 security guards.</p>
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII, Section 29, Chapter V, Section 21.
Benchmark ID	C.18.1
Benchmark Details	Employers shall not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.
Finding Details	See finding details in Benchmark C.15.1
Recommendation for Immediate Action	Provide pay slips with accurate information.

Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2)
Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.
Finding Details	As a practice, wages for days worked prior to termination of employment is paid with terminal dues irrespective of date of resignation. Based on review of pay records of terminal dues for 5 sampled workers who left employment, there was a delay of 11 to 20 days in the payment of wages for unused leave which is a part of terminal dues.
Recommendation for Immediate Action	Pay terminal dues within legally defined timelines.
Compliance Classifications	Immediate Action Required
Local Law	The Factories Act, 1948- Section 79
Benchmark ID	C.15.1.5
Benchmark Details	Employers shall provide workers a pay statement each pay period and not less frequently than once a month, which shall show bonuses.
Finding Details	Bonus is paid annually and hence not included in monthly pay slip provided to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required



Local Law	
Benchmark ID	C.15.1
Benchmark Details	Employers shall provide workers a pay statement in languages understood by workers each pay period and not less frequently than once a month,
Finding Details	<p>Management confirmed that two pay slips are maintained for all workers. While one pay slip is provided to workers prior to wage payments, the other is provided post correction of errors as noted by workers. From review of both pay slips for sampled workers, it was noted that in pay slips for some months, names of these workers matched with their employee code while in other months it did not match. None of the workers interviewed were aware of the practice of provision of 2 pay slips. They confirmed receiving one pay slip prior to wage payments. From evidence gathered for inconsistency in provision of pay slip and information reflected on them, assessors could not confirm if pay slip provided to workers contains accurate information. A review of pay slips for the sampled workers for the period from January 2021 to July 2021 revealed inconsistencies for all workers in all months reviewed. Inconsistencies included earned wages, overtime hours, and deductions.</p>
Recommendation for Immediate Action	Provide payslip with accurate information on hours worked, deduction and wages earned.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2)
Benchmark ID	C.3.1.3
Benchmark Details	Where probationary employment is legally allowed, no workers shall work more than three months in this employment category.
Finding Details	<p>Clause 3 of the appointment letter (employment contract) states that the probation period is for six months and can be extended an additional six months, if performance is found to be unsatisfactory.</p>

Recommendation for Immediate Action	Revise the probation period to not exceed three months.
Compliance Classifications	Immediate Action Required
Local Law	Industrial employment (standing orders) rules 1946- Rule 2(C) of schedule 1

### Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Finding Details	Grievances and complaints reported to supervisors and verbal grievances reported to HR are not logged. In 2020, the factory logged one grievance. In 2019, the factory logged two grievances. The factory records the corrective action plan but does not record any action taken or what feedback was provided to the worker. The factory does not maintain any documentation for grievances reported through suggestion boxes. After opening the grievance box, factory management fills out a printed template stating no grievances were found with the date, time, and a worker witness. The factory manager and an HR representative sign this document but the worker witness does not. Additionally, the Factory does not have a procedure for the provision of paper and pen for workers to record their grievances.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.2

Benchmark Details	All notices that are legally required to be posted in the workplace work areas shall be posted by employers.
Finding Details	Covid-19 awareness posters are displayed in a few work areas but not throughout the factory. These posters are small and cannot be easily identified. Social distancing is not maintained in most work areas.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.11.2
Benchmark Details	Employers must ensure the following minimum terms and conditions are met in the employment of contract/contingent/migrant/temporary workers: Contract/contingent/migrant/temporary workers shall be provided an employment agreement in their native language setting out the employment terms and conditions. for migrant workers, a copy of their employment contract in their native language shall be provided prior to departure from their country of origin;
Finding Details	The contents of the appointment letters are in three languages - English, Tamil (local language), and Hindi (language spoken and understood by migrant workers). Out of sampled 25 workers interviewed, 24 workers stated that they had not received their appointment letter (Employment contract). Migrant workers are provided with appointment letter after being hired by the factory. 10 migrant workers interviewed stated that they had not received their employment contracts.
Recommendation for Immediate Action	Provide appointment letters to all employees, including migrant workers.
Compliance Classifications	Immediate Action Required

Local Law	
Benchmark ID	ER.1.2
Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.
Finding Details	The factory does not provide specific training on childcare or health and hygiene to childcare workers. Additionally, the factory has not conducted Covid-19 specific training for migrant workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.2
Benchmark Details	Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.
Finding Details	Managers and supervisors are not fully aware of disciplinary procedures.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1

Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	The factory does not provide training to supervisors on harassment & abuse, non-discrimination, termination & retrenchment, recruitment, or hiring & personnel development.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	1. The written procedures on grievance systems do not include the requirement to maintain documentation to track grievances or to obtain feedback from workers post resolution of grievances. 2. The chairman of the grievance committee is management representative and is not changed every alternate year as legally required.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Industrial Disputes Act 1947- Section 9C (3)
Benchmark ID	ER.17.6

Benchmark Details	Employers shall have a system in place to prevent retaliation against or discrimination towards workers who are filing grievances, including grievances regarding harassment, abuse, violations of factory procedures, compensation, or unsafe working conditions
Finding Details	The factory does not have written procedures to prevent retaliation for filing grievances.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.15.1
Benchmark Details	Employers shall have in place a procedure for determining termination payouts, including methods for correct assessment of payouts for all modes of termination/retranchment, taking into account national legal requirements.
Finding Details	The factory has not provided Covid-19 specific training to Supervisors.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.1
Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retranchment and termination processes.

Finding Details	The factory policy on recruitment and hiring does not provide information on employment of workers that are hired through service providers, such as security and housekeeping services. Further, it does not provide information on what documentation needs to be maintained, responsible person and the requirements to train responsible person. The factory does not have written procedures on the following topics: non discrimination, forced labor, child labor, retrenchment, or compensation and benefits. The factory's procedures termination do not include information on calculation of benefits , timelines for payment, and mode for payment of terminal dues. The factory does not assign specific responsibilities to the HR Team or factory management staff.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	The factory does not document verbal warnings.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.6.1

Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The factory does not have a written policy or procedures for worker personnel development.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	The factory does not have written procedures for how to evaluate performance and determine promotions. The factory conducts performance evaluations after one year of employment. Based on satisfactory results, the factory provides wages increments ranging from INR 350 (4.75 USD) to INR 1000 (13.5 USD). Due to Covid 19, the factory did not evaluate performance for any workers in 2020 and 2021.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8



Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory does not have written procedures for promotions, demotions or job reassignment. For promotion from worker to supervisor, a supervisor provides feedback to the factory manager to shortlist workers. The factory then conducts a documented performance evaluation. The results are not discussed with workers and workers do not sign this evaluation document. These results are then passed to the General Manager and HR Manager for approval. For promotion within worker categories, all workers receive a performance review after one year of employment. The results are not documented or discussed with workers. The factory does not provide a letter to communicate promotions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.4
Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.

Finding Details	1. The management representative designated to communicate in Hindi with domestic migrant workers is not fluent in Hindi and could not read the contents of employment contract written in Hindi. Migrant workers are not aware of any code elements. 2. In the past 12 months, the factory has trained 312 out of 597 workers on workplace standards. 3. The factory has conducted training on environment, PPE usage, chemical handling, disciplinary procedures, and general factory policies and procedures. The factory has not conducted training on recruitment, hiring and personnel development, termination and retrenchment, compensation, hours of work, grievance systems, non-discrimination, freedom of association, or general health and safety. 4. Factory has not provided Covid specific training to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.
Finding Details	The orientation program does not include information on non-discrimination, nonretaliation, termination and retrenchment, recruitment, hiring and personnel development, or performance and evaluations.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.10.2

Benchmark Details	Employers shall not renew contracts for multiple successive short-terms in lieu of providing regular employment.
Finding Details	Factory provides regular work to all workers.
Recommendation for Immediate Action	
Compliance Classifications	
Local Law	
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	The orientation program does not include information on non-discrimination, nonretaliation, termination and retrenchment, recruitment, hiring and personnel development, or performance and evaluations.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.

Finding Details	The factory does not have a defined review period for policies and procedures. Management stated that policies are reviewed when required to incorporate changes. Policies are made based on legally provided guidelines. Workers are neither consulted nor integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures, changes on production processes, hours of work etc.)
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.
Finding Details	Workers do not receive documentation that covers all issues covered in orientation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
<b>Freedom Of Association And Collective Bargaining (FOA)</b>	
Benchmark ID	FOA.1.1

Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory does not have written procedures on freedom of association.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

### Harassment Or Abuse (H/A)

Benchmark ID	H/A.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment and abuse, including that which is gender-based
Finding Details	1. The factory does not post the consequences for harassing women at the workplace. 2. The internal complaint committee does not conduct a sensitization program on harassment and abuse for workers. 3. The presiding officer in the internal complaints committee is not a senior employee of the factory.
Recommendation for Immediate Action	1. Post Penal consequences of harassment of women at workplace in the factory. 2. Conduct sensitization program on harassment and abuse for workers . 3. Nominate a senior employee as Presiding officer in internal complaints committee
Compliance Classifications	Immediate Action Required

Local Law	Sexual harassment of women (prevention, prohibition & redressal) at workplace act 2013- Section 4(2)(a), 19(b, c)
Benchmark ID	H/A.8.3
Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	The factory's written procedures on harassment do not include the need for training and maintaining related documentation. There are no written procedures on the prevention of abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

## Health, Safety And Environment (HSE)

Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	The factory does not have written procedures for environment protection, health and safety, managing environmental emergencies, managing waste water, managing air emissions, managing hazardous waste, fire safety, machine guards, first aid, or PPE.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	1.Cars are parked in the designated assembly area # 1 and the vehicle used for unloading was parked near assembly area # 2. 2. Evacuation routes are not marked in the glue section in the shed attached to rear building (#2). 3. The direction for evacuation points away from the exit near the belt assembly section. 4. The child care facility does not meet local legal requirements. The facility does not have a separate wash room, feeding area, and play area. The facility is not currently in use due to the Covid 19 pandemic.
Recommendation for Immediate Action	1. Keep assembly areas clear at all times. 2. Mark evacuation routes in glue section. 3. Remark directions in the belt assembly to point to the nearest exit. 4. Provide a child care facility that meets legal requirements.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a); Tamil Nadu Factories Rules 1950 Rule 73.
Benchmark ID	HSE.5.1.6

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills
Finding Details	The factory does not conduct an assessment after the drill to learn how to improve the evacuation process.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.4
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations
Finding Details	Stands used for keeping belts is restricting access to passages from work areas in the embossing section.
Recommendation for Immediate Action	Maintain clear access in this area at all times.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a)
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.



Finding Details	1. The contents and the hazard labels are not posted on chemical containers. 2. The spill kits in the chemical and diesel storage areas are missing a collection tray, containers to store spills, and a broom. 3. Labels are not posted on hazardous waste (electrical) for identification.
Recommendation for Immediate Action	1. Post content and hazard labels on chemical containers. 2. Ensure that the spill kits have a collection tray, spill container, and broom. 3. Post on hazardous waste (electrical) for identification.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.19
Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	1. The factory does not provide workers with materials to clean or disinfect workplaces. 2. The factory has not increased the frequency of general cleaning since the beginning of Covid-19.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.

Finding Details	1. The factory provides ear plugs to workers on the buffing machines but not to workers in the loop section next to the buffing machines. These workers are exposed to noise in this area. 2. The factory has not conducted an assessment for thermal comfort in work areas. 3. Lint and dust was accumulated on fans and electric chords in the glue application section in the shed located behind building #2.
Recommendation for Immediate Action	1. Provide ear plugs to workers in loop section. 2. The factory should conduct an assessment for thermal comfort in work areas. 3. Clean lint and dust at regular intervals from fans and electric chords particularly in glue application section in the shed located behind building # 2.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. The traffic lanes and walk paths are not marked in the factory. 2. The ladders do not have safety locks or anti skid stoppers. 3. The eye shields on all of the stitching machines have scratches, which restrict visibility. Therefore, operators do not use them. 4. Needle guards are pushed upwards on stitching machines rendering them ineffective in protecting fingers from injuries. 5. The factory has not installed lightening protection. 6. The factory is not aware of the lockout-tagout arrangement and is not used.
Recommendation for Immediate Action	1. Mark traffic lanes and walk paths in the factory. 2. Install safety locks and anti skid stoppers on ladders. 3. Replace damaged and scratched eye shields on all the stitching machines. 4. Educate and monitor use of needle guards on stitching machines. 5. Install lightening protection in the factory. 6. Implement the use of the lockout-tagout arrangement.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.
Finding Details	1. A parked two wheeler is blocking the fire extinguisher near the dining area. Tables are blocking the approach to the hydrant near the chemical storage area. 2. The factory keeps hand gloves out in the open and not sterilized. Additionally none of the first aid kits have an eye wash up, lotion, or wood splints.
Recommendation for Immediate Action	1. Ensure that fire fighting equipment is clear at all times. 2. Ensure that hand gloves are kept sterilized and that all first aid kits have adequate supplies at all times.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (b), Section 45 (1)
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.

Finding Details	<p>1. Some of the roofing in building #2 has asbestos. There are no labels posted related to materials containing asbestos. 2. The factory does not conduct the audiometric test for workers in the loop section is located adjacent to buffing section. 3. Electrical waste is stored in the maintenance room and not labeled. Additionally, waste paint water is stored in open, unlabeled drum and access is not restricted. 4. The factory does not provide specific training to health and safety committee members. Training should include the functions of the committee, responsibilities, and monitoring of HSE standards. 5. Evacuation drills are conducted close to end of shifts. 6. The factory does not comply with clause # 3 of the fire license no 421/2021 (dated July 23, 2021) which requires the factory to conduct drills with the local fire service authorities once every six months and maintain a record. 7. The factory provides two steel glasses at the drinking water stations for common use by workers. This practice is not hygienic. 8. The security guard uniforms are hanging on the walls of the room where the electric voltage stabilizer is located. This is a fire risk.</p>
Recommendation for Immediate Action	<p>1. Discontinue the use of asbestos. 2. Conduct audiometric tests for all workers exposed to high levels of noise. 3. All waste material should be labelled and stored safely with proper identification labels on containers. 4. Conduct training for Health &amp; Safety committee members. 5. Conduct evacuation drills at different times during work shifts. 6. Comply with all clauses required in the fire license. 7. Provide a more hygienic arrangement for drinking water. 8. Provide a separate area for security guards to store their uniforms.</p>
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b), Section 41-G
Benchmark ID	HSE.28
Benchmark Details	Employers shall create a system to ensure that all necessary Health and Safety protections are provided for external contractors; including protection when working within , confined spaces, maintenance issues, and general Health and Safety Issues.
Finding Details	The factory does not provide safety instructions to contractors.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.14.3
Benchmark Details	Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.
Finding Details	Safety instructions are not displayed near machinery.
Recommendation for Immediate Action	Display safety instructions near machinery.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.
Finding Details	1. The factory does not mark confined spaces or have fencing installed around entry points to confined spaces. 2. There are no written procedures for entering confined spaces. The factory uses external contractors to clean water tanks, which is a confined space. 3. One new helmet and one safety rope was stored in the security guard's cabin. The maintenance team does not use helmets or safety ropes when working at heights. The factory does not provide safety shoes to maintenance workers. Upon seeing visitors, the electrician wore safety shoes which appeared new and fresh.
Recommendation for Immediate Action	1. Mark confined spaces and post signs to warn workers. 2. Define procedures for entering confined spaces. 3. Ensure that the maintenance team uses proper safety protection when at work.

Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 33(1), Section 36(2)(a), Section 7A(2b)
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	The factory does not provide training on ergonomics or proper lifting techniques.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.18.1
Benchmark Details	Medical facilities shall be established and maintained in factories as required by applicable laws.
Finding Details	The factory does not have a medical room in the facility, which is legally required.
Recommendation for Immediate Action	Provide medical room in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- Section 45 (4)
Benchmark ID	HSE.5.4

Benchmark Details	The emergency evacuation plan (EEP) includes procedures for notifying local community authorities in case of accidental discharge or release of chemical/waste products or any other environmental emergency.
Finding Details	The factory does not have written procedures or defined systems in place for chemical emergencies.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.5
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies
Finding Details	The factory does not have written procedures for reporting emergencies.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.4

Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: procedures that enable workers to raise health, safety, and environmental concerns.
Finding Details	The factory does not have written procedures for when workers raise health, safety, or environmental concerns.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory's risk assessment does not include information on the number of workers impacted, criteria for selecting a risk rating, or recommendations on administrative and engineering controls to help reduce risks. Further, the risk assessment does not identify all risk sources for fires.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.7



Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.
Finding Details	The factory has not provided additional COVID-19 related PPE, such as face masks and gloves.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	The factory does not provide hand gloves to the workers who manually apply adhesives to belts. In past 12 months, training on PPE was provided to 328 out of 597 workers.
Recommendation for Immediate Action	Provide workers with hand gloves and ensure that these workers use hand gloves. Ensure all relevant workers have appropriate PPE training.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.

Finding Details	In the event of an emergency, the factory does not assign specific responsibilities to employees. Specific responsibilities include: evacuating pregnant women, evacuating children from child care room, monitoring the evacuation process, conducting head count, assigning responsibilities for operating fire hose and extinguishers, and notifying emergency teams and hospitals.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.
Finding Details	The factory does not provide specific training on machine operations. However, they do provide some awareness. The factory has only trained one out of two designated employees on how to use the laser cutting machine. The factory does not provide training on use of lockout - Tagout, working at heights, or working in confined spaces.
Recommendation for Immediate Action	The factory should provide specific training on machine operations. The factory should train both the designated employees on how to use the laser cutting machine. The factory should provide training on use of lockout - Tagout, working at heights, or working in confined spaces.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.9.2

Benchmark Details	Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Finding Details	In past 12 months, the factory has only trained 448 out of applicable 597 workers on chemical management.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	1. The factory does not provide anti-fatigue mats or a sitting area to most workers with jobs that require standing. Some workers were seen resting one foot on lower table platforms. 2. All workers with sitting jobs sit on hard wooden stools with no backs or adjustable heights, which is a risk for bodily injury. 3. Work stations are not adjustable in height.
Recommendation for Immediate Action	1. Provide anti-fatigue mats and sitting areas for workers with standing jobs. 2. Provide appropriate sitting arrangement for workers to reduce bodily injury.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b), Section 44(1)
<b>Hours Of Work (HOW)</b>	
Benchmark ID	HOW.22.1

Benchmark Details	Employers shall have in place policies for managing all working hour, overtime, and leave records in normal and exceptional circumstances.
Finding Details	Factory does not have written procedures on hours of work
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.
Finding Details	The factory pays out unused leave every year instead of allowing it to accumulate, as legally allowed. With this practice, some worker have no leave available and are forced to take unpaid leave. This loss of wage impacts the employer and employee contribution to the legally mandated provident fund. Paying off unused leave can also impact terminal dues when workers leave employment. Wages for unused leave that are paid as part of terminal dues are often higher because they include annual increments and revisions.
Recommendation for Immediate Action	Ensure that workers are allowed to accumulate earned leave to ensure benefits to workers.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948, Chapter VIII- Annual Leave with wages - Section 79 (5)
Benchmark ID	HOW.9.2
Benchmark Details	Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.

Finding Details	The factory informs workers if they need to work overtime two hours prior to the start of overtime work. Workers are able to refuse overtime work.
Recommendation for Immediate Action	The factor should inform workers at the beginning of their working shifts before the requested overtime.
Compliance Classifications	Immediate Action Required
Local Law	

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